

Barbara Sherman

AZ CORP COMMIF20 E. McKellips Rd. Tempe AZ 85281

May 17, 1999

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Ray Williamson Acting Director, Utilities Division DOCUMENT CONTROL Arizona Corporation Commission 1200 West Washington Phoenix, Arizona

Arizona Corporation Commission CKETED

JUN 0 8 1999

Re: Docket No. RE-00000C-94-165

Dear Ray:

DOCKETED BY

Please excuse the delay in response to Procedural Orders of the Chief Hearing Officer. I have been out of town. The Arizona Consumers Council concurs with the Arizona Community Action Association's request that the Staff establish a workshop for the following issue:

Aggregation opportunities for residential and small consumers in the transition phase as well as under competition. (Emphasis added.) We believe that the current rules disadvantage small consumers and residential consumers and curtail opportunities for aggregation. This fact, we believe, will be a real constraint on the benefits of competition for residential and other small customers.

We have additional issues and concerns with the rules. For example, consumer education has been underfunded. It is absolutely critical that workshops on consumer education take place with consumer groups such as the Arizona Community Action Agency and ourselves as partners in determining an objective and informative consumer education program.

Our continuing concerns with the Rules' framework for electric deregulation continue to be--as examples-- 1) its disservice to residential and small consumers, 2) the need for additional consumer protection, 3) establishment of a solar portfolio standard, and 4) the overpayment of stranded costs by small consumers, especially residential, rural and small business consumers.

Thank you for the opportunity to express our concerns. Please contact us if you have any further questions.

Barbara Sherman

Chair of the Utility Watchdog Committee, Arizona Consumers Council

P.S. Please excuse an extra delay due to a glitch in acceptance at docket control.